

SALARY AND BENEFITS STUDY

FOR
MARINE EMPLOYEES' COMMISSION
STATE OF WASHINGTON

July 18, 1988

CAREY ASSOCIATES, INC.

CAREY ASSOCIATES, INC.

2555 FLORES STREET, SUITE 260
SAN MATEO, CALIFORNIA 94403

(415) 574-3732

July 18, 1988

State of Washington
Marine Employees' Commission
Main Floor, SW Quadrant FJ-11
Evergreen Plaza Building
Olympia, WA 98504

The attached report, Salary and Benefits Study, presents findings and recommendations from the study conducted by Carey Associates, Inc. under Contract No. 88-1, dated April 4, 1988, for Marine Employees' Commission, State of Washington.

We surveyed 12 ferry operations and 15 shipyards in the United States and British Columbia, Canada. The report shows data compiled for over 4,500 employees. Washington State Ferry Systems (WSFS) data is listed separately to facilitate comparison.

Probably the most useful statistic in the report is Compensation/Hour. This shows the total value of compensation per hour worked. It considers base pay, benefits and paid time off after adjustment for area pay differences. Accompanying this letter is a table summarizing how WSFS Compensation/Hour compares to that of other ferry and shipyard operations.

The report includes our recommendation to use surveys only to provide general background information for collective bargaining. Included is a proposed draft of revised legislative language to facilitate such use of surveys. A salary survey guide provides recommended procedures for future surveys.

Thank you for this opportunity to serve the State of Washington Marine Employees' Commission.

Sincerely yours,


James F. Carey, President
Certified Management Consultant

Attachments

Marine Employees' Commission

COMPENSATION/HOUR OF WSFS EMPLOYEES COMPARED TO OTHERS

Example: 53 WSFS employees classed as Master/Pilot (B) at \$34.22 Compensation/Hour are compensated above the median for others surveyed in this class. Compensation/Hour includes: base rate, area pay differences, hours scheduled, cost of benefits, and paid time off.

	WSFS Comp/Hr	Number of WSFS Employees			
		Below Low	Low to Median	Median to High	Above High
1 Master/Pilot (A)					
2 Master/Pilot (B)	\$34.22			53	
3 First Mate/Pilot (A)					
4 First Mate/Pilot (B)	26.54			52	
5 Second Mate (A)					
6 Second Mate (B)	24.05	6			
7 Staff Chief Engineer	36.35			23	
8 Chief Engineer (A)	34.85			85	
9 Chief Engineer (B)	31.73	0			
10 Chief Engineer (C)	30.48				0
11 Assistant Engineer	25.47		48		
12 Oiler	19.21		123		
13 Wiper	17.26			1	
14 Able Seaman/Bos'n	19.72		15		
15 Able Seaman (AB)	19.21		197		
16 Ordinary Seaman (OS)	17.26		162		
17 Watchman (on Board),	17.00		45		
18 Matron (on Board)	16.44			15	
19 Terminal Agent	21.17			24	
20 Ticket Seller (Auto)	19.47				75
21 Ticket Seller (Pass.)	19.21				8
22 Ticket Taker	17.26		15		
23 Terminal Attendant/Watchman	16.28				41
24 Information Supervisor	16.89	1			
25 Information Clerk	16.53				6
26 Shoregang Foreman	21.17	1			
27 Shoregang Lead	20.77		2		
28 Shoregang Worker	20.18				11
29 Crew Dispatch Coordinator	19.27				2
30 Crew Dispatcher	17.64				1
31 Data Entry Operator	13.59	0			
32 Accounting Clerk-Inter.	15.47		8		
33 Accountant	18.43		2		
34 Custodian	12.19		5		
101 Shipwright/Carpenter	21.10			20	
102 Shipyard Machinist	21.10			10	
103 Shipyard Electrician	21.10			9	
104 Shipyard Boilermaker/Welder	21.10			6	
105 Shipyard Pipefitter	21.10			6	
106 Shipyard Sheet Metal Worker	21.10			4	
107 Shipyard Truckdriver	21.36				1
108 Shipyard Warehouse Worker	21.36				4
TOTAL EMPLOYEES	1087	8	622	308	149
	100%	1%	57%	28%	14%

CONTENTS

	Page
Introduction	1
Survey Findings	4
Definitions, Notes, Calculations	4
Job Summaries	1:
Salary Survey Data	
Legislative Recommendations	26
Exhibits	
1 - Survey Participants	
2 - Survey Questionnaires	
3 - Salary Survey Guide	

INTRODUCTION

SALARY AND BENEFITS STUDY

FOR

Marine Employees' Commission

State of Washington

July 18, 1988

INTRODUCTION

The State of Washington Marine Employees' Commission (MEC), sponsored this study. The study includes a survey of pay and benefits in ferry and shipyard organizations, recommendations for conducting and using such surveys in the future, and recommendations for changes in legislative language to facilitate such use of survey data. Any questions about this study may be directed to the management consulting firm that conducted the study:

Carey Associates, Inc.
2.555 Flores Street, Suite 260
San Mateo, CA 94403
(415) 574-3732

PURPOSE

This study was conducted to compile and analyze pay and benefit data from various ferry and shipyard organizations to assist MEC in fulfilling its functions in relation to the Washington State Ferry System (WSFS) and to provide recommendations for future conduct and use of surveys in connection with WSFS matters of pay and benefits.

This study makes no recommendations regarding the pay rates and benefits that WSFS should provide to its employees. Indeed, we **specifically** recommend that surveys **not** be used to define or limit pay and benefits.

We do recommend that surveys be used as background for collective bargaining between employee representatives and WSFS **management** on matters of pay and **benefits**. Thus, survey data would provide general support and reference in the **collective bargaining** process. State of Washington laws, regulations, and budget guidelines must be **considered** also.

SURVEY PARTICIPANTS

We reviewed listings of all ferry operations in the United States and Canada and selected for contact the larger ferry operations in the United States and British Columbia. We selected **ferry** operations that seemed likely to employ a reasonable number of people in jobs similar to those in WSFS. Other employers may also have similar work. **This** survey covered the organizations listed in Exhibit I.

After making telephone contact with each prospective survey participant, we eliminated several as being too small or intermittent to provide useful data. We then mailed 33 **survey** questionnaires to **prospective** participants. Fourteen **organizations** completed and returned questionnaires. **Upon** review of the **completed questionnaires**, we rejected two that were incomplete or from a small operation. **We compiled** and analyzed data from 12 ferry organizations, including WSFS.

MEC-Salary and Benefits Study - 2

The same process was followed for shipyards, with the selection limited primarily to West Coast shipyards. We mailed questionnaires to 26 shipyards, received 16 responses, and used 15 of them in the study. Of those 15, three are from shipyards operated in conjunction with ferry operations.

QUESTIONNAIRES

Exhibit 2 shows samples of the instructions and questionnaires sent to survey participants. Included are lists of the job classifications surveyed and the job description for each.

ANALYSIS

We compiled the survey responses and analyzed the data as shown in the Findings section of this report. About one-half of the survey participants requested that their data be kept confidential.

The survey findings are presented in consolidated form, showing low, median, and high pay rates for each job classification. Where the number of organizations reporting on a particular job classification is four or more and the number of employees covered is greater than 20, we also include quartile pay rates. That is, the low 25 percent pay rate and the high 25 percent pay rate. Pay rates for WSFS are shown separately and are not included in the compiled data analysis. Thus, the reader can compare WSFS pay with pay provided by other employers.

EFFECTIVE DATE

All pay rates and benefits shown are those in effect at the time of the survey: April-May 1988. It should be noted that most WSFS pay rates went into effect July 1, 1986 as part of the 1985-1987 union contract settlements. WSFS shipyard pay rates went into effect in May 1988. With one exception, all other ferry operations reported pay rates that had gone into effect within the past year.

INTERPRETING RESULTS

The Findings section of this report includes definitions of certain terms used and examples of the calculations in the survey analysis. Understanding those definitions and calculations will assist in interpreting the findings of this survey. Pay rates are adjusted to Seattle-equivalent.

Compensation/Year shows the effect of the number of hours scheduled and the cost of benefits. Larger employer contributions to a retirement plan, for example, will increase the Compensation/Year but not the Base Rate.

Compensation/Hour shows the effect of paid time off. The total cost of pay and benefits is divided by the number of hours worked, after allowing for holidays, vacation, and sick leave. More generous vacation allowance, for example, will increase Compensation/Hour but not the Base Rate or the Compensation/Year.

Management and union representatives often equate the cost of pay and benefits on a dollar-for-dollar basis. Research into employee attitudes, however, indicates that most workers do not equate each element of the compensation package on a cost basis. That is, most workers will not freely exchange base pay dollars for added vacation or extra life insurance.

MEC-Salary and Benefits Study - 3

WSFS job classifications do not match every job described in the survey. In some cases, such as Master/Pilot (A), the survey job **description** refers to vessels larger than those operated by WSFS. Those jobs are included in the survey to **help** bracket the WSFS jobs. Some job classifications **exist** but are not currently staffed in **WSFS**. This includes, for example, Chief Engineer (B) and Chief Engineer (C).

SURVEY FINDINGS

SURVEY FINDINGS

DEFINITIONS

Base Rate

Average base pay rate per hour for a job classification. Canadian pay rates adjusted to U.S. dollar equivalent at **\$1Canada = \$0.813US**, per exchange rate published for June 1, 1988 by The Wall Street Journal.

Adjusted Rate

Base Rate divided by area pay differential to show Seattle-equivalent rate. U.S. **Area pay differentials** are from the widely recognized survey, **Geographic Salary Differentials**, by Compensation Institute of Mercer-Meidinger, Inc. The Vancouver area differential is based on U.S. Bureau of Labor Statistics Area Wage Survey and Vancouver Board of Trade Clerical **Salary Survey**. For each city, pay rates are compared for common benchmark jobs with large numbers of employees. The average pay relationship between Seattle and another city is used to equate pay as the Adjusted Rate.

Compensation/Year

Adjusted Rate for one year at scheduled hours, plus employer's cost of benefits for an employee with spouse and children. Does not include cost of statutory benefits (such as Social Security), payroll taxes, overtime or other premium pay.

Compensation/Hour

Compensation/Year divided by regular hours worked by an employee with eight years of service who takes all permitted paid holidays, vacation time, and sick leave.

LOW

Lowest average figure reported by any employer.

25%

First quartile. One-fourth of surveyed employees earn at or below this figure.

Median

This is the middle figure among employees surveyed. Half are paid at or above this figure, half are paid at or below it.

75%

Third quartile. One-fourth of surveyed employees earn at or above this figure.

High

Highest average figure reported by any employer.

NOTES

Number of Employees

Pay data are analyzed by number of employees in each job classification for each employer.

Separate Analyses

Each statistic is analyzed separately. Thus, the median Base Rate for a job classification is not **necessarily** from the same company that pays the median Compensation/Hour for that job classification.

Blank Spaces

Blank **space** indicates insufficient data reported or insufficient number of employees for **useful** analysis.

Alaska

Alaska Marine Highway pays a special extra allowance to employees who qualify as permanent residents of Alaska. The allowance is approximately 20 percent for seagoing job classifications and 13 percent for shoreside job classifications. The number of employees who **qualify** for this extra allowance varies by job group from 50 percent to **97 percent**. The extra allowance has been included in all pay data for Alaska Marine Highway.

CALCULATIONS EXAMPLE

	B.C. Ferry Corp.	WSFS
2. Master/Pilot (B)		
Area Differential	101.5%	100.0%
Base Rate	\$18.97	\$2535
Adjusted Rate (for area)	18.69	25.35
Compensation/Year	39,423	59,099
Compensation/Hour	24.97	34.20

EXPLANATION

1. **Area Differential: Salaries** in Vancouver area are generally 1.5% higher than in Seattle area, after currency exchange.
2. **Bare Rate:** Base hourly pay rate as reported in U.S. dollars. For B.C. Ferry Corp., Canadian **dollars** converted to U.S. dollars equivalent at the June 1, 1988 exchange rate of **\$1Canadian = \$0.813US**.
B.C.: **\$23.33Canadian** x 0.813 = **\$18.97US**.
3. **Adjusted Rate:** Base Rate divided by area differential to show Seattle-equivalent rate. B.C.: $\$18.97 / 101.5\% = \18.69 .
Thus, \$18.97 per hour base rate in Vancouver, B.C. is equivalent to \$18.69 per hour in Seattle, in terms of **generally** prevailing pay levels.
4. **Compensation/Year:** Adjusted Rate for one year at scheduled hours, plus employer's cost of benefits.

WSFS: \$2535 x 2,080 hours	\$52,728
Retirement Plan at 6.15%	3,243
Medical, Other Insured Benefits	<u>3,168</u>
Compensation/Year	\$59,139

5. **Compensation/Hour:** Compensation/Year divided by hours worked.

WSFS: Hours Scheduled	2,080
Holidays	96
Vacation	160
Sick Leave	<u>96</u>
Hours Worked	1,728
Compensation/Hour	$\$59,139 / 1,728 = \34.22

Marine Employees' Commission

JOB SUMMARIES

These *summaries appear on the survey questionnaire. More detailed job descriptions accompanied the questionnaires.*

1. Master/Pilot (A)

USCG license as master of Steam or Motor Ferry Vessels over 4,000 gross tons, with endorsement as first class pilot on all ferry routes operated, on vessels of unlimited gross tons, plus radar observer endorsement and F.C.C. marine radio operator permit. Largest vessel is _____ tons.

2. Master/Pilot (B)

USCG license as master of Steam or Motor Ferry Vessels of not more than 4,000 gross tons, with endorsement as first class pilot on all ferry routes operated, on vessels of unlimited gross tons, plus radar observer endorsement and F.C.C. marine radio operator permit.

3. First Mate/Pilot (A)

USCG license as mate of Steam and Motor Vessels over 4,000 gross tons, with endorsement as first class pilot on all ferry routes operated, on vessels of any gross tons, plus radar observer endorsement and F.C.C. marine operator permit. Largest vessel is _____ tons.

4. First Mate/Pilot (B)

USCG license as mate of Steam and Motor Vessels of not more than 4,000 gross tons, with endorsement as first class pilot on all ferry routes operated, on vessels of any gross tons, plus radar observer endorsement and F.C.C. marine operator permit.

5. Second Mate (A)

USCG license as mate of inland Steam or Motor Vessels over 4,000 gross tons, plus radar observer endorsement and F.C.C. marine radio operator permit. Largest vessel is _____ tons.

6. Second Mate (B)

USCG license as mate of inland Steam or Motor Vessels of not more than 4,000 gross tons, plus radar observer endorsement and F.C.C. marine radio operator permit.

7. Staff Chief Engineer

Has continuing responsibility for engine room operations and maintenance of a specific vessel. USCG license as Chief Engineer of Motor Ferry Vessels or Chief Engineer of Motor Vessels of the necessary horsepower rating to cover the assigned vessel horsepower. Largest vessel is _____ horsepower.

8. Chief Engineer (A)

USCG license as Chief Engineer of Motor Ferry Vessels or Chief Engineer of Motor Vessels of the necessary horsepower rating to cover the assigned vessel horsepower. Largest vessel is _____ horsepower.

MEC-Job Summaries - 2

9. **Chief Engineer (B)**
USCG license as Chief Engineer of Motor Ferry Vessels or Chief Engineer of Motor Vessels of 4,000 to 7,900 horsepower.
10. **Chief Engineer (C)**
USCG license as Chief Engineer of Motor Ferry Vessels or Chief Engineer of Motor Vessels under 4,000 horsepower.
11. **Assistant Engineer**
USCG license as 3rd Assistant Engineer of Steam or Motor Vessels (or of Ferry Vessels) of the necessary horsepower rating to cover assigned vessel horsepower.
12. **Oiler**
USCG certificate as member of engine department with rating of oiler.
13. **Wiper**
USCG certificate as Wiper. Entry level - engine department.
14. **Able Seaman/Bos'n**
USCG certificate as Able Seaman - Limited May act as Bos'n.
15. **Able Seaman (AB)**
USCG certificate as Able Seaman - Limited
16. **Ordinary Seaman (OS)**
USCG certificate as Ordinary Seaman Entry level in the Deck Department; may also perform duties of on-board Watchman or Matron.
17. **Watchman (on Board)**
USCG certificate as Ordinary Seaman Performs duties of on-board Watchman or Matron; may perform duties of Ordinary Seaman Entry level in the Deck Department.
18. **Matron (on Board)**
USCG certificate as Ordinary Seaman Performs duties of on-board Matron or Watchman; may also perform duties of Ordinary Seaman.
19. **Terminal Agent**
Shift Supervisor at a terminal. Directly responsible to Terminal Manager for scheduling activities of terminal personnel and all monies received.
20. **Ticket Seller (Auto)**
Sells auto, truck, and passenger tickets based on multiple tariff rates. Responsible for collecting proper fares and maintaining accurate ticket inventories.

21. Ticket Seller (Pass.)

Sells passenger tickets only. Responsible for collecting proper fares and maintaining accurate ticket inventories

22. Ticket Taker

Collects tickets and visually verifies that proper ticket has been issued. Directs auto traffic. May provide information concerning schedules and routes. Raises and lowers ramps to permit loading/unloading. Maintains daily ticket records. Works outside in inclement weather.

23. Terminal Attendant/Watchman

Assists in terminal maintenance, janitorial duties, traffic control, and terminal equipment operation. Also serves as watchman during vessel tie-up (non-operating status). Entry level in Terminal Department.

24. Information Supervisor

Responsible for Information Center operations. Trains information clerks and arranges work schedules. Assigns clerical workload, under budget control.

25. Information Clerk

Maintains "front-line" communication with ferry users, furnishing information about schedules, routes and rates by telephone and in person

26. Shoregang Foreman

Responsible for vessel maintenance at a repair facility. Reports to facility Superintendent. Directs the Shoregang personnel in their maintenance duties. Must have USCG certificate as Able Seaman-Limited

27. Shoregang Lead

Under direction of the Shoregang Foreman, performs skilled refit and preventive maintenance on vessels and docks. Supervises a crew of Shoregang workers at a maintenance facility and serves as back-up Able Seaman on the deck crew of any ferry during a watch or on a repositioning run. Must have USCG certificate as Able Seaman-Limited

28. Shoregang Worker

Under direction of the Shoregang Lead, performs skilled refit and preventive maintenance work on vessels and docks. May also serve as back-up Able Seaman on the deck crew of any ferry during a watch or on a re-positioning run. Must have a USCG certificate as Able Seaman-Limited

29. Crew Dispatch Coordinator

Arranges for staffing of vessels by dispatching appropriate licensed and unlicensed Deck and Engine employees to each vessel in compliance with U.S. Coast Guard and Company requirements. Maintains radio communication with vessels to coordinate crew changes.

MEC-Job Summaries - 4

30. Crew Dispatcher

Handles duties similar to Crew Dispatch Coordinator at night and/or on a relief basis. As most staffing is arranged by the Crew Dispatch Coordinator, the Dispatcher deals with emergency situations after consultation with a supervisor. Entry level position.

31. Data Entry Operator

Operates data entry equipment with minimum supervision.

32. Accounting Clerk-Intermediate

Performs fairly complex clerical assignments in accordance with standard procedures.

33. Accountant

Performs a wide variety of accounting functions requiring full professional competency. May direct lower level employees.

34. Custodian

Performs a variety of janitorial work

101. Shipwright/Carpenter

Performs journey-level shipwright/carpentry work

102. Shipyard Machinist

Performs journey-level machinist work

103. Shipyard Electrician

Performs journey-level electrical work.

104. Shipyard Boilermaker/welder

Performs journey-level heli-arc, electric arc or gas welding and burning work

105. Shipyard Pipefitter

Performs journey-level pipefitting and plumbing work

106. Shipyard Sheet Metal Worker

Performs journey-level sheet metal work

107. Shipyard Truckdriver

Operates light and medium trucks.

108. Shipyard Warehouse Worker

Performs receiving, shipping warehousing and/or storekeeping work Operates bucks, for-lifts and similar equipment.

Marine Employees' Commission

1 9 8 8 S A L A R Y S U R V E Y D A T A

		Low	25%	Median	75%	High	WSFS
1. Master/Pilot (A)							
Companies Reported							
Employees Reported	1:						
Base Rate		22.51		32.15		32.15 :	
Adjusted Rate		22.18		26.79		26.96 .	
Compensation/Year		46,579		67,856		67,856 .	
Compensation/Hour		29.50		46.10		46.10 .	
2. Master/Pilot (B)							
Companies Reported	9						
Employees Reported	124						53
Base Rate		8.50	15.50	19.50	20.20	30.97 :	25.35
Adjusted Rate		9.19	18.97	18.70	21.35	25.81 .	25.35
Compensation/Year		32,059	39,423	44,871	45,258	65,501 .	59,139
Compensation/Hour		18.75	24.93	24.97	29.47	44.50 .	34.22
3. First Mate/Pilot (A)							
Companies Reported	3						
Employees Reported	50						
Base Rate		18.32		18.32		27.48 :	
Adjusted Rate		18.05		18.05		22.90 .	
Compensation/Year		38,110		38,110		58,536 .	
Compensation/Hour		24.14		24.14		39.77 .	
4. First Mate/Pilot (B)							
Companies Reported	6						
Employees Reported	91						52
Base Rate		13.50	13.50	16.43	19.68	26.89 :	19.34
Adjusted Rate		12.50	12.50	16.19	20.72	22.41 .	19.34
Compensation/Year		23,200	23,200	34,302	38,263	57,358 .	45,869
Compensation/Hour		17.19	17.19	21.72	27.85	38.97 .	26.54
5. Second Mate (A)							
Companies Reported	3						
Employees Reported	66						
Base Rate		16.86		16.86		23.77 .	
Adjusted Rate		16.61		16.61		20.76 .	
Compensation/Year		35,172		35,172		51,994 .	
Compensation/Hour		22.27		22.27		34.74 .	
6. Second Mate (B)							
Companies Reported	2						
Employees Reported	27						
Base Rate		18.08		18.08		22.77 .	17.396
Adjusted Rate		18.98		19.03		19.03 .	17.39
Compensation/Year		35,377		35,377		49,136 .	41,564
Compensation/Hour		25.75		25.75		33.38 .	24.05

Marine Employees' Commission

1 9 8 8 S A L A R Y S U R V E Y D A T A

			Low	25%	Median	75%	High	WSFS
7. Staff Chief Engineer								
Companies Reported	4							
Employees Reported	18							23
Base Rate		17.50		22.51		29.93		25.52
Adjusted Rate		16.20		22.18		29.93		25.52
Compensation/Year		41,457		46,579		70,832		62,079
Compensation/Hour		20.55		29.50		37.60		36.35
8. Chief Engineer (A)								
Companies Reported	3							
Employees Reported	56							85
Base Rate		21.45		21.98		30.87		24.42
Adjusted Rate		21.65		21.65		25.73		24.42
Compensation/Year		41,457		44,871		65,301		59,529
Compensation/Hour		28.87		29.52		44.36		34.85
9. Chief Engineer (B)								
Companies Reported	3							
Employees Reported	1	0						0
Base Rate		21.15		25.53		29.64		22.12
Adjusted Rate		22.26		24.70		26.36		22.12
Compensation/Year		62,731		62,846		63,264		54,197
Compensation/Hour		31.74		38.00		42.69		31.73
10. Chief Engineer (C)								
Companies Reported	1							
Employees Reported	4							0
Base Rate				18.36				21.20
Adjusted Rate				21.35				21.20
Compensation/Year				58,466				52,064
Compensation/Hour				24.57				30.48
11. Assistant Engineer								
Companies Reported	7							
Employees Reported	50							48
Base Rate		11.03	15.55	20.08	26.33	26.33		17.51
Adjusted Rate		12.98	16.51	21.14	21.94	21.94		17.51
Compensation/Year		32,227	38,985	41,152	56,241	56,241		43,510
Compensation/Hour		18.23	24.04	28.37	38.21	38.21		25.47
12. Oiler								
Companies Reported	6							
Employees Reported	111							123
Base Rate		11.20	14.99	14.99	16.68	16.68		14.17
Adjusted Rate		11.79	12.49	14.64	17.56	17.56		14.17
Compensation/Year		30,712	32,851	32,851	33,610	44,263		33,357
Compensation/Hour		16.91	21.49	22.83	23.91	23.91		19.21

Marine Employees' Commission

1988 SALARY SURVEY DATA

			Low	25%	Median	75%	High	WSFS
13. Wiper								
Companies Reported	3							
Employees Reported	117							1
Base Rate			12.36		12.36		14.04	12.63
Adjusted Rate			11.70		12.17		13.47	12.63
Compensation/Year			25,728		25,728		36,146	29,957
Compensation/Hour			16.56		16.56		21.55	17.26
14. Able Seaman/Bos'n								
Companies Reported	4							
Employees Reported	33							15
Base Rate			11.30	11.30	15.73	16.24	16.24	14.57
Adjusted Rate			11.89	11.89	13.53	13.53	15.73	14.57
Compensation/Year			31,987	36,105	36,105	36,260	41,679	34,240
Compensation/Hour			17.17	18.19	22.12	24.53	24.53	19.72
15. Able Seaman (AB)								
Companies Reported	5							
Employees Reported	105							197
Base Rate			8.76	12.42	14.87	14.87	15.24	14.17
Adjusted Rate			10.31	12.39	12.39	12.39	15.24	14.17
Compensation/Year			25,595	33,371	33,371	35,300	40,480	33,357
Compensation/Hour			14.48	17.71	22.67	22.67	22.67	19.21
16. Ordinary Seaman (OS)								
Companies Reported	10							
Employees Reported	842							162
Base Rate			4.80	14.88	14.88	14.89	15.75	12.63
Adjusted Rate			5.19	13.79	14.66	14.66	16.58	12.63
Compensation/Year			10,992	31,171	31,171	31,173	37,939	29,957
Compensation/Hour			11.62	19.74	19.74	21.40	22.69	17.26
17. Watchman (on Board)								
Companies Reported	2							
Employees Reported	26							45
Base Rate			8.17		13.93		13.93	12.43
Adjusted Rate			9.50		11.61		11.61	12.43
Compensation/Year			14,815		31,495		31,495	29,515
Compensation/Hour			12.97		21.40		21.40	17.00
18. Matron (on Board)								
Companies Reported	2							
Employees Reported	17							15
Base Rate			7.80		7.80		12.73	11.99
Adjusted Rate			8.21		8.21		12.73	11.99
Compensation/Year			18,149		18,149		34,334	28,544
Compensation/Hour			11.90		11.90		18.22	16.44

Marine Employees' Commission

1988 SALARY SURVEY DATA

			Low	25%	Median	75%	High	WS FS
19. Terminal Agent								
Companies Reported	5							
Employees Reported	58							24
Base Rate			9.38	14.53	14.80	14.80	17.30	15.71
Adjusted Rate			11.04	12.11	14.59	14.59	18.21	15.71
Compensation/Year			30,147	30,599	32,693	32,693	41,772	36,757
Compensation/Hour			15.41	19.69	20.03	20.03	23.52	21.17
20. Ticket Seller (Auto)								
Companies Reported	6							
Employees Reported	90							75
Base Rate			7.44	10.38	12.94	12.94	12.94	14.37
Adjusted Rate			8.75	10.93	12.75	12.75	12.75	14.37
Compensation/Year			21,738	26,167	26,893	26,893	36,260	33,799
Compensation/Hour			12.30	14.73	17.31	17.31	18.19	19.47
21. Ticket Seller (Pass.)								
Companies Reported	6							
Employees Reported	6							8
Base Rate			4.00	9.82	11.07	11.07	12.13	14.17
Adjusted Rate			4.32	9.09	10.91	10.91	11.23	14.17
Compensation/Year			15,256	23,171	23,171	23,735	31,930	33,357
Compensation/Hour			8.48	13.25	14.91	14.91	17.98	19.21
22. Ticket Taker								
Companies Reported	4							
Employees Reported	34							15
Base Rate			4.40	8.72	12.72	12.72	12.72	12.63
Adjusted Rate			4.76	8.07	10.60	10.60	10.60	12.63
Compensation/Year			21,613	25,347	29,080	29,080	29,080	29,957
Compensation/Hour			12.06	14.94	17.82	17.82	17.82	17.26
23. Terminal Attendant/Watchman								
Companies Reported	4							
Employees Reported	143							41
Base Rate			4.40	11.79	11.79	11.79	11.79	11.86
Adjusted Rate			4.76	11.61	11.61	11.61	11.61	11.86
Compensation/Year			20,591	24,595	24,595	24,595	24,595	28,257
Compensation/Hour			10.81	15.83	15.83	15.83	15.83	16.28
24. Information Supervisor								
Companies Reported	3							
Employees Reported	10							1
Base Rate			7.50		12.66		26.19	12.34
Adjusted Rate			8.11		12.47		21.83	12.34
Compensation/Year			26,327		55,962		55,962	29,317
Compensation/Hour			16.94		34.29		34.29	16.89

Marine Employees' Commission

1 9 8 8 S A L A R Y S U R V E Y D A T A

			Low	25%	Median	75%	High	WSFS
25. Information Clerk								
Companies Reported	7							
Employees Reported	65							6
Base Rate			4.40	9.49	10.30	10.79	10.79	12.06
Adjusted Rate			4.76	8.58	8.79	10.63	10.63	12.06
Compensation/Year			15,052	22,605	24,251	26,528	26,846	28,699
Compensation/Hour			7.91	13.31	14.55	14.86	15.12	16.53
26. Shoregang Foreman								
Companies Reported	2							
Employees Reported	3							1
Base Rate			14.70		23.66		23.66	15.71
Adjusted Rate			17.29		19.72		19.72	15.71
Compensation/Year			45,098		50,913		50,913	36,757
Compensation/Hour			24.22		31.20		31.20	21.17
27. Shoregang Lead								
Companies Reported	2							
Employees Reported	4							
Base Rate			11.03		20.71		20.71	15.3;
Adjusted Rate			12.98		17.26		17.26	15.39
Compensation/Year			33,839		45,025		45,025	36,051
Com pensation/Hour			18.17		27.59		27.59	20.77
28. Shoregang Worker								
Companies Reported	3							
Employees Reported	15							11
Base Rate			10.15		11.00		12.76	14.93
Adjusted Rate			10.19		10.19		12.57	14.93
Compensation/Year			26,521		29,754		31,139	35,035
Compensation/Hour			16.72		16.75		17.07	20.12
29. Crew Dispatch Coordinator								
Companies Reported	4							
Employees Reported	14							2
Base Rate			10.78		13.27		13.89	14.02
Adjusted Rate			9.98		13.53		13.68	14.02
Compensation/Year			26,184		28,770		30,178	33,306
Compensation/Hour			14.55		18.49		18.51	19.27
30. Crew Dispatcher								
Companies Reported	2							
Employees Reported	22							1
Base Rate			8.75		12.66		12.66	12.74
Adjusted Rate			8.10		12.47		12.47	12.74
Compensation/Year			22,157		26,327		26,327	30,480
Compensation/Hour			12.31		16.94		16.94	17.64

Marine Employees' Commission

1 9 8 8 S A L A R Y S U R V E Y D A ' T A

		Low	25%	Eedian	75%	High	WSFS
31. Data Entry Operator							
Companies Reported	4						
Employees Reported	1	0					c
Base Rate		9.80		10.59		12.66	9.57
Adjusted Rate		8.83		9.06		12.47	9.57
Compensation/Year		22,096		24,830		26,599	23,481
Compensation/Hour		14.49		15.21		16.94	13.59
32. Accounting Clerk-Intermediate							
Companies Reported	4						
Employees Reported	22						8
Base Rate		9.60	10.95	11.60	11.64	11.64	11.04
Adjusted Rate		8.89	9.67	10.14	11.47	11.47	11.04
Compensation/Year		22,189	24,304	24,304	26,845	28,614	26,726
Compensation/Hour		12.33	15.64	15.64	16.45	17.18	15.47
33. Accountant							
Companies Reported	5						
Employees Reported	12						2
Base Rate		12.50		16.22		19.40	13.36
Adjusted Rate		11.57		15.02		17.35	13.36
Compensation/Year		26,327		40,032		42,411	31,849
Compensation/Hour		15.43		24.03		25.99	18.43
34. Custodian							
Companies Reported	5						
Employees Reported	62						5
Base Rate		4.40	8.81	8.81	8.81	11.59	8.68
Adjusted Rate		4.76	9.27	9.27	9.27	11.41	8.68
Compensation/Year		15,256	20,142	20,142	24,191	27,213	21,169
Compensation/Hour		8.48	13.21	13.21	13.65	15.57	12.19

Marine Employees' Commission

1 9 8 8 S A L A R Y S U R V E Y D A T A

			Low	25%	Medi an	75%	Hi gh	WSFS
101. Shipwright/Carpenter								
Companies Reported	13							
Employees Reported	112							20
Base Rate		10.00	12.00	12.50	13.00	16.38		15.53
Adjusted Rate		10.00	12.00	12.00	13.00	17.24		15.53
Compensation/Year		24,856	30,285	30,314	34,965	39,931		36,293
Compensation/Hour		12.56	15.87	16.12	17.43	23.00		21.10
Leadman Base Rate		11.80	12.00	13.22	14.80	16.06		15.80
Leadman Adj. Rate		11.80	12.00	13.19	14.80	15.82		15.80
Foreman Base Rate		12.75	13.35	14.11	16.06	18.01		16.27
Foreman Adj. Rate		12.75	13.20	13.61	15.82	18.96		16.27
Helper Base Rate		6.30	7.00	7.70	10.50	13.77		15.07
Helper Adj. Rate		6.30	6.75	7.70	10.50	13.57		15.07
102. Shipyard Machinist								
Companies Reported	14							
Employees Reported	220							10
Base Rate		10.00	12.00	12.77	15.01	18.27		15.53
Adjusted Rate		10.00	11.57	12.77	14.79	19.23		15.53
Compensation/Year		24,856	30,285	32,459	33,087	38,810		36,293
Compensation/Hour		13.11	15.87	16.55	18.78	25.45		21.10
Leadman Base Rate		11.95	12.25	14.10	15.09	16.51		15.80
Leadman Adj. Rate		11.95	12.25	13.19	14.87	16.27		15.80
Foreman Base Rate		12.75	13.20	14.50	16.98	20.09		16.27
Foreman Adj. Rate		12.75	13.20	14.16	16.26	21.15		16.27
Helper Base Rate		6.30	7.00	11.18	13.85	15.50		15.07
Helper Adj. Rate		6.30	7.00	11.05	13.64	16.32		15.07
103. Shipyard Electrician								
Companies Reported	12							
Employees Reported	93							9
Base Rate		10.00	12.00	12.00	15.01	23.50		15.53
Adjusted Rate		10.00	12.00	12.00	14.79	24.74		15.53
Compensation/Year		24,856	30,285	30,285	32,459	49,130		36,293
Compensation/Hour		13.11	15.87	16.11	18.70	32.22		21.10
Leadman Base Rate		11.95	12.00	13.21	14.50	16.51		15.80
Leadman Adj. Rate		11.95	12.00	13.02	14.10	16.27		15.80
Foreman Base Rate		13.00	13.20	15.50	17.00	25.85		16.27
Foreman Adj. Rate		13.00	13.20	15.14	16.26	27.21		16.27
Helper Base Rate		6.30	7.00	10.85	13.68	14.02		15.07
Helper Adj. Rate		6.30	6.74	10.85	12.70	13.81		15.07

Marine Employees' Commission

1988 SALARY SURVEY DATA

	Low	25%	Median	75%	High	WSFS
104. Shipyard Boilermaker/Welder						
Companies Reported	14					
Employees Reported	443					6
Base Rate	10.00	11.00	12.00	15.00	19.36	15.53
Adjusted Rate	10.00	11.00	12.00	13.50	20.38	15.53
Compensation/Year	24,856	27,268	30,285	32,943	40,960	36,293
Compensation/Hour	12.58	13.93	15.87	18.40	26.86	21.10
Leadman Base Rate	11.50	12.30	13.71	15.05	16.51	16.00
Leadman Adj. Rate	11.50	12.25	13.19	14.49	16.27	16.00
Foreman Base Rate	13.00	13.35	15.25	16.74	21.29	16.27
Foreman Adj. Rate	13.00	13.32	14.17	16.04	22.41	16.27
Helper Base Rate	6.30	7.00	10.53	13.81	15.09	15.07
Helper Adj. Rate	6.30	7.00	10.85	13.61	15.88	15.07
105. Shipyard Pipefitter						
Companies Reported	11					
Employees Reported	121					6
Base Rate	10.00	12.00	12.00	13.50	23.00	15.53
Adjusted Rate	10.00	11.57	12.00	12.50	24.21	15.53
Compensation/Year	24,856	27,560	30,285	32,943	48,143	36,293
Compensation/Hour	12.02	14.18	16.11	16.12	31.57	21.10
Leadman Base Rate	11.95	12.00	14.10	16.06	25.30	16.00
Leadman Adj. Rate	11.95	12.00	13.19	14.87	26.63	16.00
Foreman Base Rate	13.00	13.20	14.50	16.06	18.65	16.27
Foreman Adj. Rate	11.25	13.06	13.50	15.82	19.63	16.27
Helper Base Rate	6.30	7.00	8.85	12.31	13.85	15.07
Helper Adj. Rate	6.30	6.74	8.85	12.21	13.64	15.07
106. Shipyard Sheet Metal Worker						
Companies Reported	5					
Employees Reported	67					4
Base Rate	11.49	11.49	11.49	12.00	21.11	15.53
Adjusted Rate	11.49	11.49	11.49	12.00	22.22	15.53
Compensation/Year	27,811	27,811	27,811	30,285	44,414	36,293
Compensation/Hour	12.88	12.88	12.88	16.11	29.12	21.10
Leadman Base Rate	12.25		13.35		16.06	16.00
Leadman Adj. Rate	12.25		13.35		15.82	16.00
Foreman Base Rate	13.05		15.14		23.22	16.27
Foreman Adj. Rate	13.05		15.14		24.44	16.27
Helper Base Rate	10.00		10.85		13.85	15.07
Helper Adj. Rate	10.00		10.85		13.64	15.07

Marine Employees' Commission

1988 SALARY SURVEY DATA

	Low	25%	Median	75%	High	WSFS
107. Shipyard Truckdriver						
Companies Reported 11						
Employees Reported 22						1
Base Rate	10.39	11.50	12.69	13.85	15.00	14.84
Adjusted Rate	10.94	11.50	12.50	13.64	14.18	14.84
Compensation/Year	23,260	26,391	30,285	30,635	34,965	36,738
Compensation/Hour	14.18	15.25	16.98	17.39	18.40	21.36
Leadman Base Rate	11.95		12.60		14.10	15.61
Leadman Adj. Rate	11.95		12.60		14.10	15.61
Foreman Base Rate	13.06		13.13		13.20	15.87
Foreman Adj. Rate	13.06		13.13		13.20	15.87
Helper Base Rate	10.20		10.53		10.85	14.70
Helper Adj. Rate	10.20		10.53		10.85	14.70
108. Shipyard Warehouse Worker						
Companies Reported 12						
Employees Reported 61						4
Base Rate	9.16	10.88	12.00	13.17	17.00	14.84
Adjusted Rate	9.16	10.65	12.00	12.98	14.17	14.84
Compensation/Year	23,339	26,383	27,346	30,285	34,965	36,738
Compensation/Hour	12.05	13.21	16.11	17.60	18.40	21.36
Leadman Base Rate	11.80	12.00	12.60	14.00	18.07	15.61
Leadman Adj. Rate	11.80	12.00	12.60	13.88	17.80	15.61
Foreman Base Rate	12.00	13.06	13.35	13.71	15.50	15.87
Foreman Adj. Rate	12.00	13.06	13.35	13.71	15.50	15.87
Helper Base Rate	6.30	7.65	9.60	10.53	10.85	14.70
Helper Adj. Rate	6.30	7.65	9.60	10.53	10.85	14.70

PREMIUM PAY AND BENEFITS IN FERRY OPERATIONS

This summary is based on responses from 11 organizations, excluding WSFS. Data for WSFS are shown separately for comparison. Five organizations provide the same benefits to all employees surveyed. The other organizations provide two or more different benefit packages according to job family. Where mixed data might be confusing, we report data for Ordinary Seaman.

The survey questionnaire asked for information about the amount of premium pay that employees actually earned. The number of responses, two, was insufficient for analysis.

OVERTIME

Pay for overtime work typically begins at the end of the usual workday or workweek. All organizations surveyed provide the same overtime pay rate for all employees, without regard to job family. Eight organizations, with 1,245 employees, pay overtime work at time-and-one-half. Two organizations, with 1,012 employees, pay double time for overtime work. One survey respondent failed to provide data regarding their overtime pay practice. WSFS pays double time for all except office jobs (jobs 29-33), which receive time-and-one-half for overtime work.

HARDSHIP PAY

A special pay rate for dirty or hazardous work is provided by three of the organizations surveyed, with 1,083 employees. One organization pays \$1.00 per hour extra for such work, one pays \$6.00 per hour extra, and one pays double time. The other eight organizations, with 1,210 employees, do not pay extra for dirty or hazardous work. WSFS pays double time for such work.

HOLIDAYS

Most organizations provide the same number of paid holidays to all employees. One organization provides different numbers of paid holidays to employees in different job families. For this reason, the total below is greater than the 11 organizations reporting.

<u>Holidays</u>	<u>Organizations</u>
6	1
9	1
10	3
11	6
12	1

WSFS provides 11 paid holidays for some jobs (7-18, 34) and 12 for others (1-6, 29-33).

MEC-Premium Pay and Benefits/Ferry Operations - 2

VACATION

All organizations provide paid vacation. The following table summarizes the hours of vacations earned after certain periods of service. Example: Six organizations provide 80 hours of paid vacation after one year.

		<u>Years of Service</u>									
		<u>0.5</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6-10</u>	<u>11-15</u>	<u>16-20</u>	<u>20+</u>
40		1	1								
60											
80			6'	2							
Hours of	100		2	.							
Vacation	120		2		2'		3	2			
Per Year	140					1*		2	2		
	160			1			1*	4	1	2	
	180							1	1		2
	200									3	
240+					1	1	1				

***WSFS** vacation for all jobs except jobs 7-11, which receive more paid vacation time.

SICK LEAVE

Seven companies provide paid sick leave, three provide no paid sick leave, and one claims to offer "unlimited" sick leave.

<u>Sick Leave Hours</u>	<u>Organizations</u>
0	
42	3
80	1
96	31
120	1
180	1
Unlimited	1

WSFS provided 96 hours of paid sick leave per year.

MEC-Premium Pay and Benefits/Ferry Operations - 3

INSURED BENEFITS

Medical, dental, vision care, life, and **disability** insurance: one or more of these benefits are provided by all organizations surveyed. The organization pays part or all of the cost, in the amounts shown below. The example costs are for an Ordinary Seaman with a spouse and two children.

Benefits Cost Per Year

\$1,080
1,392
2033
2,959
3,168
3,280
3,540
3,696
3,996
4,889
5,281

Insured benefits cost WSFS \$2,071 per year for jobs 14-28, which includes Ordinary Seaman. The costs for other WSFS job families are \$2,004, \$2,351, \$2,916, \$3,168.

RETIREMENT

Nine organizations make some contribution toward a retirement plan. Of these, eight provided information about the percent of gross pay contributed per year, as shown below.

Retirement Contribution

3.00 %
5.38
6.50
9.50
9.65
9.90
10.00
12.10

WSFS contributes 6.15 percent of pay for a retirement plan

* * * * *

The costs of all benefits are included in the calculation of Compensation/Hour shown in the data tables.

PREMIUM PAY AND **BENEFITS** IN SHIPYARDS

This summary includes information from 14 shipyards, excluding WSFS. Data for WSFS shipyard jobs are shown separately for comparison.

The amount of premium pay that employees actually earned was reported by too few organizations for analysis.

OVERTIME

Pay for overtime work **typically begins** at the end of the usual workday or workweek. Eleven organizations, with 890 shipyard employees, pay time-and-one-half for overtime work. Three organizations, with 246 shipyard employees, pay double time. Those three are B.C. yards. WSFS pays double time.

HARDSHIP PAY

Only three organizations with 182 employees provide no extra pay for dirty or hazardous work. Eleven organizations, with 954 employees, pay some form of hardship pay, as shown below.

Hardship Pay

\$0.25 per hour

0.50

2.00

6.00

Time-and-one-half: 7

WSFS pays double time for dirty or hazardous work.

HOLIDAYS

The number of paid holidays differs among shipyards, as shown below:

<u>Holidays</u>	<u>Organizations</u>
7	1
8	3
9	2
10	5
11	0
12	3

WSFS provides 13 paid holidays for its shipyard jobs.

MEG Premium Pay and Benefits/Shipyards - 2

VACATION

AU shipyards provide paid vacation. More than half calculate earned vacation as a percentage of hours worked. The following table summarizes the approximate number of vacation hours earned after certain periods of service. Example: five yards provide 40 hours after one year.

		<u>Years of Service</u>									
		0.5	1	2	3	4	5	6-10	11-15	16-20	20+
	40		5	1							
	60		2	1							
	80		3'	4	1	1		1			
Hours of	100		1	*		1	1	1			
Vacation	120			1	1'	1	1	3	1		
Per Year	140					1*		1	1		
	160						*	3	2	1	
	180								1		*
	200								2	1	
	240+									2	1

*WSFS vacation.

SICKLEAVE

Only two shipyards, with 110 employees, report that they provide paid sick leave. AU others provide none. WSFS provides 96 hours of paid sick leave per year.

INSURED BENEFITS

Medical, dental, vision care, life, and disability insurance: one or more of these benefits are provided by every shipyard surveyed. The organization pays part or all of the cost, as shown below. One organization did not report their cost. Some of the others were unable to separate the cost of a retirement plan from the cost of other benefits. Therefore, these costs should be viewed with caution.

Benefits Cost Per Year

\$924
1,392
2,600
3,849
4,041
4,056
4,181
4,534
5,325
5,325
6,240
6,240
6,885

WSFS pays \$2,004 per year for benefits for all shipyard jobs except jobs 107 and 108, for which the benefit cost is \$3,972.

RETIREMENT

Twelve organizations make some contribution toward a retirement plan for shipyard employees. Usually this is part of the contributions to a union health and welfare plan. Only two organizations were able to identify the cost separately. WSFS contributes 6.15 percent of pay to a retirement plan.

* * * * *

The costs of all benefits are included in the calculation of Compensation/Hour shown in the data tables.

LEGISLATIVE RECOMMENDATIONS

LEGISLATIVE RECOMMENDATIONS

PAST PRACTICE

Legislation and administrative practice have fostered reliance on salary surveys in WSFS. Surveys have been used to define pay and benefits for WSFS jobs. The law mandated that WSFS pay be equal to that paid by private employers within the state for directly comparable work.

Using surveys to decide upon pay for WSFS jobs has proved difficult. Perhaps it is impossible. Certainly it is a questionable effort. The limited number of private employers in the state with directly comparable work has strained the entire concept. It resulted in the nation's largest ferry system, with 1,250 employees, looking to a one-boat ferry operator with 50 employees to define pay.

The underlying assumption of the present legislation seems to be that one proper rate of pay and level of benefits exists for each job. However, a close look at any large salary survey should convince the observer that no single rate of pay or level of benefits is correct-or necessary-for any job. Compensation practices differ widely among employing organizations. Some pay twice the rate of others for similar jobs.

NEED FOR CHANGE

MEC has wanted a different approach to the study of WSFS pay and benefits for five years. WSFS management has also recognized the need to change. And, the public has questioned the validity of the assumptions underlying this narrowly restrictive practice. Most importantly, the Washington State Legislature mandated that this study be conducted to examine the issues and methods for a different approach.

Not everyone is sure that a change of survey and pay-setting practice would be desirable. Several union leaders representing WSFS employees have expressed concern about any proposal for change from the present practice. They seem to assume that a salary survey covering other areas and other jobs may be used to force lower pay than their members might otherwise receive.

As compensation planning specialists, it is our professional opinion that WSFS would benefit from a change to more flexible use of surveys. We recommend a shift of emphasis from reliance upon a narrow salary survey to the collection of broadly based survey data. Further, we recommend that such survey data be used not to define a specific equal pay rate for WSFS, but to describe the outside environment of pay and benefit practices generally. With knowledge of that environment, union and management can apply their good judgment to settle collective bargaining issues.

All parties want to arrive at just and fair compensation for WSFS employees. Let the salary survey data guide them toward that goal. Let it not substitute for their judgment nor relieve them of responsibility for the final settlement.

A salary **survey** can help by providing background information. However, it cannot determine what is **fair** and just compensation for an **employee** in a particular job classification in a particular organization. We believe that **informed collective** bargaining offers the best opportunity to achieve a balance of interests among WSFS employees, management and the public. A salary survey can serve as a support tool in such collective bargaining.

PROPOSED CHANGES

A key issue is the present legislative language that restricts salary surveys to **private** employers within the state. We propose that the survey process be opened to **include** data from both public and private employers within and outside the state. We would include British Columbia as well as the **United** States within that scope. By **opening** the door to information from outside, all parties will gain a broader understanding of the compensation environment,

A second issue is the present legislative language that restricts survey comparisons to "directly comparable work." Based on interviews and observations of this study, we believe that "directly comparable work" has been interpreted by some in a narrow, confining way. It seems that "directly comparable **work**" has come to mean almost the same as "**identical** work." This has restricted both unions and management in negotiations. We recommend a change of words to help sever ties to past practice and to signal a more flexible use of salary surveys. We propose that surveys include data for "similar work." Of course, the more closely related the duties and conditions of employment, the more confidence employees, management and the public will have in **considering** the relevance of survey pay data.

A third issue is the present legislative language that promotes "equality" in compensation. The original intent may have been to **indicate** a general sense of balance between WSFS **compensation** and the **compensation** of other workers. Now, however, the terminology should **be** changed. It should say that WSFS **pay** and benefits need not be **literally** equal to some figure found in a survey. We **propose** that the objective of the pay policy **be** restated to include the objective of "just and **fair** compensation."

Our recommendations for change in legislative language are shown in the following draft document. The proposed changes will open the way for WSFS to use broadly based survey data. The changes will establish survey data as general background information. And, the changes will foster the continued use of **collective** bargaining to decide fair and just pay for the employees of WSFS.

PROPOSED CHANGES TO LEGISLATION

47.64.006 (7) promote ~~equality in~~ just and fair compensation, benefits, and working conditions ~~between for~~ ferry system employees: as compared with public and private sector employees within and outside the state in ~~directly-comparable~~ similar positions.

47.64220 Fact-finding. Prior to collective bargaining, the marine employees' commission shall conduct a salary survey which **shall** be a public document comparing wages, hours, employee benefits, and conditions of employment of involved ferry employees with those of public and private sector employees within and outside the state doing ~~directly-comparable~~ similar but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved. Such survey shall be for the purpose of disclosing generally prevailing levels of compensation, benefits, and conditions of employment. It shall be used to guide generally but not to define or limit collective bargaining between the parties. The commission shall make such other findings of fact as the parties may request during bargaining or impasse.

47.64.280 (2) (c) conduct fact-finding and provide salary surveys as required in RCW 47.64.220 and promulgate any rule or regulation deemed necessary to implement this subsection:

MARINE EMPLOYEES--PUBLIC
EMPLOYMENT RELATIONS

(Revised Code of Washington
Chapter 47.64)

TABLE OF CONTENTS

RCW

47.64.005	Declaration of policy.
47.64.006	Public policy.
47.64.011	Definitions.
47.64.060	Federal social security--State employees' retirement.
47.64.070	Employees subject to industrial insurance laws.
47.64.080	Employees seniority rights.
47.64.090	Other party operating ferry by rent, lease, or charter to be subject to chapter--Working conditions--Adjudication of labor disputes.
47.64.120	Scope of negotiations.
47.64.130	Unfair labor practices for employer, employee organization, enumerated.
47.64.140	Strikes, work stoppages, and lockouts prohibited.
47.64.150	Grievance procedures.
47.64.160	Union security provisions--Scope--Agency shop provision, collection of dues or fees.
47.64.170	Collective bargaining procedures.
47.64.180	Agreements and awards limited by appropriation.
47.64.190	Marine employees' commission review for compliance with fiscal limitations--Effective date of agreements and arbitration orders.
47.64.200	Impasse procedures.
47.64.210	Mediation.
47.64.220	Fact-finding.

RCW

47.64.230	Waiver of mediation and fact-finding.
47.64.240	Binding arbitration.
47.64.250	Legal actions.
47.64.260	Notice and service.
47.64.270	Insurance and health care.
47.64.280	Marine employees' commission.
47.64.290	Toll bridge employees subject to civil service.
47.64.900	Section captions not part of law--1983 c 15.
47.64.910	Severability--1983 c 15.

47.64.005 Declaration of policy. The ststt of Washington, as a public policy, declares that sound labor relations are essential to the development of a ferry and bridge system which will best serve the interests of the people of the state. [1961 c 13 § 47.64.005. Prior: 1949 c 148 § 1; Rem. Supp. 1949 § 6524-22.]

47.64.006 Public policy. The legislature declares that it is the public policy of the state of Washington to: (1) Provide continuous operation of the Washington state ferry system at reasonable cost to users; (2) efficiently provide levels of ferry service consistent with trends and forecasts of ferry usage; (3) promote harmonious and cooperative relationships between the ferry system and its employees by permitting ferry employees to organize and bargain collectively; (4) protect the citizens of this state by assuring effective and orderly operation of the ferry system in providing for their health, safety, and welfare; (5) prohibit and prevent all strikes or work stoppages by ferry employees; (6) protect the rights of ferry employees with respect to employee organizations; and (7) promote equality in compensation, benefits, and working conditions between ferry system employees, private sector employees within the ststt, and other Washington state employees in directly comparable positions. [1983 c 15 § 1.]

47.64.011 Definitions. As used in this chapter, unless the context otherwise requires, the definitions in this section shall apply.

(1) "Arbitration" means the procedure whereby the parties involved in an impasse submit their differences to a third party for a final and binding decision or as provided in this chapter.

(2) "Arbitrator" means either a single arbitrator or a panel of three arbitrators as provided in RCW 47.644340.

(3) "Collective bargaining representative" means the persons designated by the secretary of transportation and employee organizations to be the exclusive representatives during collective bargaining negotiations.

(4) "Department of transportation" means the department as defined in RCW 47.01.021.

(5) "Ferry employee" means any employee of the marine transportation division of the department of transportation who is a member of a collective bargaining

unit represented by a ferry employee organization and does not include an exempt employee pursuant to RCW 41.06.079.

(6) "Ferry employee organization" means any labor organization recognized to represent a collective bargaining unit of ferry employees.

(7) "Ferry system management" means those management personnel of the marine transportation division of the department of transportation who have been vested with the day-to-day management responsibilities of the Washington state ferry system by the transportation commission and who are not members of a collective bargaining unit represented by a ferry employee organization.

(8) "Lockout" means the refusal of ferry system management to furnish work to ferry employees in an effort to get ferry employee organizations to make concessions during collective bargaining, grievance, or other labor relation negotiations. Curtailment of employment of ferry employees due to lack of work resulting from a strike or work stoppage, as defined in subsection (11) of this section, shall not be considered a lockout.

(9) "Marine employees' commission" means the commission created in RCW 47.64380.

(10) "Office of financial management" means the office as created in RCW 43.41.050.

(11) "Strike or work stoppage" means a ferry employee's refusal, in concerted action with others, to report to duty, or his or her willful absence from his or her position, or his or her stoppage or slowdown of work, or his or her abstinence in whole or in part from the full, faithful, and proper performance of the duties of employment, for the purpose of inducing, influencing, or coercing a change in conditions, compensation, rights, privileges, or obligations of his, her, or any other ferry employee's employment. A refusal, in good faith, to work under conditions which pose an endangerment to the health and safety of ferry employees or the public, as determined by the master of the vessel, shall not be considered a strike for the purposes of this chapter.

(12) "Transportation commission" means the commission as defined in RCW 47.01.021. [1983 c 15 § 2.]

47.64.060 Federal social security—State employees' retirement. All employees engaged in the operation of ferries acquired by the department shall remain subject to the federal social security act and shall be under the state employees' retirement set. The department shall make such deductions from salaries of employees and contributions from revenues of the department as shall be necessary to qualify the employees for benefits under the federal social security act. The appropriate officials are authorized to contract with the secretary of health, education and welfare to effect the coverage. [1984 c 7 § 340; 1961 c 13 § 47.64.060. Prior: 1957 c 271 § 7; 1951 c 82 § 2; 1949 c 148 § 5; Rem. Supp. 1949 § 6524-26.]

Severability—1984 c 7: See note following RCW 47.01.141.

47.64.070 Employees subject to industrial insurance laws. Employees, except the masters and members of the crews of vessels, shall be subject to and entitled to the benefits of the industrial insurance laws of the state, and are hereby declared to be in extrahazardous employment within the meaning of such laws. [1961 c 13 § 47.M.070. Prior: 1951 c 259 § 2; 1949 c 148 § 6; Rem. Supp. 1949 § 6524-27.]

47.64.080 Employee seniority rights. Employees employed at the time of the acquisition of any ferry or ferry system by the department have seniority rights to the position they occupy aboard the ferries or ferry system. In the event of curtailment of ferry operations for any reason, employees shall be relieved of service on the basis of their duration of employment in any ferry or ferry system acquired by the department. (1984 c 7 § 341; 1981 c 13 § 47.64.080. Prior: 1949 c 148 § 7; Rem. Supp. 1949 § 6524-28.)

Severability—1984 c 7: See note following RCW 47.01.141.

47.64.090 Other party operating ferry by rent, lease, or charter to be subject to chapter—Working conditions—Adjudication of labor disputes. If any party assumes the operation and maintenance of any ferry or ferry system by rent, lease, or charter from the department of transportation, such party shall assume and be bound by all the provisions herein and any agreement or contract for such operation of any ferry or ferry system entered into by the department shall provide that the wages to be paid, hours of employment, working conditions and seniority rights of employees will be established by the marine employees' commission in accordance with the terms and provisions of this chapter and it shall further provide that all labor disputes shall be adjudicated in accordance with chapter 47.64 RCW. [1983 c 15 § 27; 1961 c 13 § 47.64.090. Prior: 1949 c 148 § 8; Rem. Supp. 1949 § 6524-29.]

Severability—1983 c 15: See RCW 47.64.910.

47.64.120 Scope negotiations. Ferry management system organizations, collective bargaining representatives, shall meet at reasonable times, respect wages, hours, working conditions, insurance, and health care benefits as limited by RCW 47.64.370. and other matters mutually agreed upon. Employer funded retirement benefits shall be provided under the public employees retirement system under chapter 41.40 RCW and shall not be included in the scope of collective bargaining. Negotiations shall also include grievance procedures for resolving any questions arising under the agreement, which shall be embodied in a written agreement and signed by the parties. [1983 c 15 § 3.]

47.64.130 Unfair labor practices for employer, employee organization, enumerated. (1) It is an unfair labor

practice for ferry system management or its representatives:

(a) To interfere with, restrain, or coerce employees in the exercise of the rights guaranteed by this chapter;

(b) To dominate or interfere with the formation or administration of any employee organization or contribute financial or other support to it: *Provided*, That subject to rules made by the commission pursuant to RCW 47.64.280, an employer shall not be prohibited from permitting employees to confer with it or its representatives or agents during working hours without loss of time or pay;

(c) Discourage membership in an employee organization, or any condition but nothing contained in this prevents an employer from requiring, and employment, fees required by an exclusive bargaining representative pursuant to 47.64.160: *Provided*, That system management agrees from ing to obtain employees by referral from a lawful hiring a labor

organization;

(d) To otherwise discriminate against because of the filed given testimony chapter;

(e) Represent employees.

It is an unfair practice a labor organization:

(a) To restrain or coerce employees in the exercise of the rights guaranteed by this chapter: *Provided*, That this paragraph does not impair the right of an employer organization to prescribe its own rules with

selection of employer in the purposes of collective adjustment; grievance;

(b) To cause or attempt to cause an employer to discriminate against an employee in violation of subsection (1) of this section;

(c) To refuse to bargain collectively with an employer, when it is the representative of its employees subject to RCW 47.64.170.

(3) The expression of any view, argument, or opinion, or the dissemination thereof to the public, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this chapter, if the expression contains no threat of reprisal or force or promise of benefit. [1983 c 15 § 4.]

47.64.140 Strikes, work stoppages, and lockouts prohibited. (1) It is unlawful for any ferry system employee or any employee organization, directly or indirectly, to induce, instigate, encourage, authorize, ratify, or participate in a strike or work stoppage against the ferry system.

(2) It is unlawful for ferry system management to authorize, consent to, or condone a strike or work stoppage;

or to conduct a lockout: or to pay or agree to pay my ferry system employee for any day in which the employee participates in a strike or work stoppage; or to pay or agree to pay any increase in compensation or benefits to any ferry system employee in response to or as a result of my strike or work stoppage or any act that violates subsection (1) of this section. It is unlawful for any official, director, or representative of the ferry system to authorize, ratify, or participate in any violation of this subsection. Nothing in this subsection prevents new or renewed bargaining and agreement within the scope of negotiations as defined by this chapter, at any time. No collective bargaining agreement provision regarding suspension or modification of any court-ordered penalty provided in this section is binding on the courts.

(3) In the event of any violation or imminently threatened violation of subsection (1) or (2) of this section, any citizen domiciled within the jurisdictional boundaries of the state may petition the superior court for Thurston county for an injunction restraining the violation or imminently threatened violation. Rules of civil procedure regarding injunctions apply to the action. However, the court shall grant a temporary injunction if it appears to the court that a violation has occurred or is imminently threatened; the plaintiff need not show that the violation or threatened violation would greatly or irreparably injure him or her; and no bond may be required of the plaintiff unless the court determines that a bond is necessary in the public interest. Failure to comply with any temporary or permanent injunction granted under this section constitutes a punishable contempt. The punishment shall not exceed ten thousand dollars for an employee organization or the ferry system, for each day during which the failure to comply continues, or imprisonment in this county jail for officials thereof not exceeding six months, or both such fine and imprisonment. The punishment for a ferry employee found to be in contempt shall be as provided in chapter 7.20 RCW. An individual or an employee organization which makes an active good faith effort to comply fully with the injunction shall not be deemed to be in contempt.

(4) The right of ferry system employees to engage in strike or work slowdown or stoppage is not granted and nothing in this chapter may be construed to grant such a right.

(5) Each of the remedies and penalties provided by this section is separate and several, and is in addition to any other legal or equitable remedy or penalty.

(6) In addition to the remedies and penalties provided by this section the successful litigant is entitled to recover reasonable attorney fees and costs incurred in the litigation.

(7) Notwithstanding the provisions of chapter 88.04 RCW and chapter 88.08 RCW, the department of transportation shall promulgate rules and regulations allowing vessels, as defined in RCW 88.04300, as well as other watercraft, to engage in emergency passenger service on the waters of Puget Sound in the event ferry employees engage in a work slowdown or stoppage. Such emergency rules and regulations shall allow emergency passenger service on the waters of Puget Sound within

seventy-two hours following a work slowdown or stoppage. Such rules and regulations that are promulgated shall give due consideration to the needs and the health, safety and welfare of the people of the state of Washington. [1983 c 15 § 5.]

47.64.150 Grievance procedures. An agreement with a ferry employee organization that is the exclusive representative of ferry employees in an appropriate unit may provide procedures for the consideration of ferry employee grievances and of disputes over the interpretation and application of agreements. Negotiated procedures may provide for binding arbitration of ferry employee grievances and of disputes over the interpretation and application of existing agreements. An arbitrator's decision on a grievance shall not change or amend the terms, conditions, or applications of the collective bargaining agreement. The procedures shall provide for the invoking of arbitration only with the approval of the employee organization. The costs of arbitration shall be shared equally by the parties.

Ferry system employees shall follow either the grievance procedures provided in a collective bargaining agreement, or if no such procedures are so provided, shall submit the grievances to the merit employed commission as provided in RCW 47.64380. [1983 c 15 § 6.]

47.64.160 Union security provisions-Scope-Agency shop provision, collection of dues or fees. A collective bargaining agreement may include union security provisions including an agency shop, but not a union or closed shop. If an agency shop provision is agreed to, the employer shall enforce it by deducting from the salary payments to members of the bargaining unit the dues required of membership in the bargaining representative, or, for nonmembers thereof, a fee equivalent to such dues. All union security provisions shall safeguard the right of non-union employees based on bona fide religious tenets or teachings of a church or religious body of which such employee is a member. Such employee shall pay an amount of money equivalent to regular dues and fees to a nonreligious charity or to another charitable organization mutually agreed upon by the employee affected and the bargaining representative to which such employee would otherwise pay the dues and fees. The employee shall furnish written proof that such payment has been made. If the employee and the bargaining representative do not reach agreement on such matter, the commission shall designate the charitable organization. [1983 c 15 § 7.]

47.64.170 Collective bargaining procedures. (1) Any ferry employee organization certified as the bargaining representative shall be the exclusive representative of all ferry employees in the bargaining unit and shall represent all such employees fairly.

(2) A ferry employee organization or organizations and the secretary of transportation may each designate any individual as its representative to engage in collective bargaining negotiations.

(3) Negotiating sessions, including strategy meetings of ferry system management or employee organizations, mediation, and the deliberative process of arbitrators are exempt from the provisions of chapter 42.30 RCW. Hearings conducted by arbitrators may be open to the public by mutual consent of the parties. Any meeting of the transportation commission, during which a collective bargaining agreement is subject to notification, shall be open to the public.

(4) Terms of any collective bargaining agreement may be enforced by civil action in Thurston county superior court upon the initiative of either party.

(5) Ferry system employees or any employee organization shall not negotiate or attempt to negotiate directly with a member of the transportation commission if the commission has appointed or authorized a bargaining representative for the purpose of bargaining with the ferry employees or their representative, unless the member of the commission is the designated bargaining representative of the ferry system.

(6) The negotiation of a proposed collective bargaining agreement by representatives of ferry system management and a ferry employee organization shall commence in each odd-numbered year immediately following adoption by the legislature and approval by the governor of the biennial budget.

(7) Until a new collective bargaining agreement is negotiated, or until an award is made by the arbitrator, the terms and conditions of the previous collective bargaining agreement shall remain in force. The wage and benefit provisions of any collective bargaining agreement, or arbitrator's award in lieu thereof, that is concluded after July 1st of an odd-numbered year shall be retroactive to July 1st. It is the intent of this section that the collective bargaining agreement or arbitrator's award shall commence on July 1st of each odd-numbered year and shall terminate on June 30th of the next odd-numbered year to coincide with the ensuing biennial budget year, as defined by RCW 43.88.020(7), to the extent practical.

(8) Any ferry union contract terminating before July 1, 1983, shall, with the agreement of the parties, remain in effect until a contract can be concluded under RCW 47.64.006, 47.64.011, and 47.64.120 through 47.64.380. The contract may be retroactive to the expiration date of the prior contract, and the cost to the department of three months retroactive compensation and benefits for this 1983 contract negotiation only shall not be included in calculating the limitation imposed by RCW 47.64.180. If the parties cannot agree to contract extension, any increase agreed to for the three-month period shall be included in calculating the limit, imposed by RCW 47.64.180.

(9) Any ferry union contract which would terminate after July 1, 1983, may, by agreement of the parties, be terminated as of July 1, 1983, and a new contract concluded pursuant to RCW 47.64.006, 47.64.011, and 47.64.120 through 47.64.380. Any contract terminating after July 1, 1983, is subject to this chapter only upon its expiration and shall not be renewed for a period beyond July 1, 1985. [1983 c 15 § 8.]

47.64.180 Agreements and awards limited by • ppm priation. (1) No collective bargaining agreement or arbitrator's award is valid or enforceable if its implementation would be inconsistent with any statutory limitation on the department of transportation's funds, spending, or budget. The department of transportation shall, in good faith, exercise its administrative discretion with full public participation as required by RCW 47.60.330, subject only to legislative limitations and conditions, to implement the terms of any collective bargaining agreement or arbitrator's award.

(2) In no event may the transportation commission or the department of transportation authorize an increase in tolls after the enactment of the budget that is in excess of the Seattle consumer price index for the preceding twelve months for the purpose of providing revenue to fund a collective bargaining agreement or arbitrator's award. The commission or the department may increase tolls after the first fiscal year of the biennium by the amount that the Seattle consumer price index increased after the previous toll increase. This subsection shall not be construed to prevent increases due to items that are not labor-related and that are beyond the direct control of the department. [1983 c 15 § 9.]

* Reviser's note: The reference in 1983 c 15 § 9 to "section 25 of this act" has been translated to "RCW 47.60.330." A literal translation of the session law reference would have been "RCW 47.60.326," which • p fCU%tObcCtWUM. A floor amendment to Substitute Senate Bill No. 3108 added a new section 24 to the bill and directed that internal references be corrected accordingly. The correction was not made in the preparation of Engrossed Substitute Senate Bill No. 3108, but has been made in codification.

47.64.190 Marine employees' commission review for compliance with fiscal limitations—Effective date of agreements and • rhitntiaa orders. (1) No negotiated agreement or arbitration order may become effective and in force until five calendar days after an agreement has been negotiated or an arbitration order entered for each and every ferry employee bargaining unit.

(2) Upon the conclusion of negotiations or arbitration procedures with all ferry employee bargaining units, the secretary shall ascertain whether the cumulative fiscal requirements of all such agreements and arbitration orders are within the limitations imposed by RCW 47.64.180.

(3) If the secretary finds that budgetary or fare restrictions will be exceeded, he shall, within five calendar days of completion of negotiations or arbitration with the last bargaining unit to conclude an agreement, submit all agreements and arbitration awards to the marine employees' commission for a binding determination whether the limitations of RCW 47.64.180 have been exceeded.

(4) The marine employees' commission shall review all negotiated agreements and arbitration orders, and may take written or oral testimony from the parties, regarding compliance with RCW 47.64.180. Within fifteen calendar days of receiving the secretary's request for review, the commission shall determine by a majority vote of its members whether or not the cumulative effect

of all such agreements and orders exceeds the limitations of RCW 47.64.180.

(5) If the marine employees' commission determines that the limitations of RCW 47.64.180 would be exceeded if all agreements and arbitration orders were given full force and effect, it shall order the minimum percentage reduction in straight time wage provisions applied equally across the board to all agreements or arbitration orders which will result in compliance with RCW 47.64.180.

(6) Whenever the secretary requests a determination by the marine employees' commission pursuant to this section, the effect of all agreements and arbitration orders shall be stayed, pending the commission's final determination. [1983 c 15 §10.]

47.64.200 Impasse procedures. As the first step in the performance of their duty to bargain, ferry system management and the employee organization shall endeavor to agree upon impasse procedures. The agreement shall provide for implementation of these impasse procedures not later than July 1st in each odd-numbered year following enactment of the biennial budget. If the parties fail to agree upon impasse procedures under this section, the impasse procedures provided in RCW 47.64.210 through 47.64.230 apply. It is unlawful for either party to refuse to participate in the impasse procedures provided in RCW 47.64.210 through 47.64.230. [1983 c 15 §11.]

47.64.210 Mediation. In the absence of an impasse agreement between the parties or the failure of either party to utilize its procedures by August 1st in each odd-numbered year, the marine employees' commission shall, upon the request of either party, appoint an impartial and disinterested person to act as mediator pursuant to RCW 47.64.280. It is the function of the mediator to bring the parties together to effectuate a settlement of the dispute, but the mediator shall not compel the parties to agree. [1983 c 15 §12.]

47.64.220 Fact-finding. Prior to collective bargaining, the marine employees' commission shall conduct a salary survey which shall be a public document comparing wages, hours, employee benefits, and conditions of employment of involved ferry employees with those of private sector employees within the state and Washington state employees doing directly comparable work, giving consideration to factors peculiar to the area and the classifications involved. The commission shall make such other findings of fact as the parties may request during bargaining or impasse. [1983 c 15 §13.]

47.64.230 Waiver of mediation and fact-finding. By mutual agreement, the parties may waive mediation and fact-finding, as provided for in RCW 47.64.210 and 47.64.220, and proceed with binding arbitration as provided for in RCW 47.64.240. The waiver shall be in writing and be signed by the representatives of the parties. [1983 c 15 §14.]

47.64.240 Binding arbitration. (1) If impasse persists fourteen days after the mediator has been appointed, or beyond any other date mutually agreed to by the parties, all impasse items shall be submitted to arbitration pursuant to this section, and the arbitration shall be binding upon the parties.

(2) Each party shall submit to the other within four days of request, a final offer on the impasse items with proof of service of a copy upon the other party. Each party shall also submit a copy of a draft of the proposed collective bargaining agreement to the extent to which agreement has been reached and the name of its selected arbitrator. The parties may continue to negotiate all offers until an agreement is reached or a decision rendered by the panel of arbitrators.

As an alternative procedure, the two parties may agree to submit the dispute to a single arbitrator. If the parties cannot agree on the arbitrator within four days, the selection shall be made pursuant to subsection (5) of this section. The full costs of arbitration under this provision shall be shared equally by the parties to the dispute.

(3) The submission of the impasse items to the arbitrators shall be limited to those upon which the parties have not reached agreement. With respect to each such item, the arbitration panel award shall be restricted to the final offers on each impasse item submitted by the parties to the arbitration board on each impasse item.

(4) The panel of arbitrators shall consist of three members appointed in the following manner:

(a) One member shall be appointed by the secretary of transportation;

(b) One member shall be appointed by the ferry employee organization;

(c) One member shall be appointed mutually by the members appointed by the secretary of transportation and the employee organization. The last member appointed shall be the chairman of the panel of arbitrators. No member appointed may be an employee of the parties;

(d) Ferry system management and the employee organization shall each pay the fees and expenses incurred by the arbitrator each selected. The fee and expenses of the chairman of the panel shall be shared equally by each party.

(5) If the third member has not been selected within four days of notification as provided in subsection (2) of this section, a list of seven arbitrators shall be submitted to the parties by the marine employees' commission. The two arbitrators selected by ferry system management and the ferry employee organization shall determine by lot which arbitrator shall remove the first name from the list submitted by the marine employees' commission. The second arbitrator and the first arbitrator shall alternately remove one additional name until only one name remains. The person whose name remains shall become the chairman of the panel of arbitrators and shall call a meeting within thirty days, or at such time mutually agreed to by the parties, at a location designated by him or her. In lieu of a list of seven nominees

for the third member being submitted by the marine employees' commission, the parties may mutually agree to have either the Federal Mediation and Conciliation Service or the American Arbitration Association submit list of seven nominees.

(6) If a vacancy occurs on the panel of arbitrators, the selection for replacement of that member shall be in the same manner and within the same time limits as the original member was chosen. No final award under subsection (3) of this section may be made by the panel until three arbitrators have been chosen.

(7) The panel of arbitrators shall at no time engage in an effort to mediate or otherwise settle the dispute in any manner other than that prescribed in this section.

(8) From the time of appointment until such time as the panel of arbitrators makes its final determination, there shall be no discussion concerning recommendations for settlement of the dispute by the members of the panel of arbitrators with parties other than those who are direct parties to the dispute. The panel of arbitrators may conduct formal or informal hearings to discuss offers submitted by both parties.

(9) The panel of arbitrators shall consider, in addition to any other relevant factors, the following factors:

(a) Past collective bargaining contracts between the parties including the bargaining that led up to the contracts;

(b) Comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with those of private sector employees within the state and Washington state employees doing directly comparable work, giving consideration to factors peculiar to the area and the classifications involved;

(c) The interests and welfare of the public, the ability of the ferry system to finance economic adjustments, and the effect of the adjustments on the normal standard of services;

(d) The right of the legislature to appropriate and to limit funds for the conduct of the ferry system; and

(e) The limitations on ferry toll increases and operating subsidies as may be imposed by the legislature.

(10) The chairman of the panel of arbitrators may hold hearings and administer oaths, examine witnesses and documents, take testimony and receive evidence, issue subpoenas to compel the attendance of witnesses and the production of records, and delegate such powers to other members of the panel of arbitrators. The chairman of the panel of arbitrators may petition the superior court in Thurston county, or any county in which any hearing is held, to enforce the order of the chairman compelling the attendance of witnesses and the production of records.

(11) A majority of the panel of arbitrators shall within thirty days after its first meeting select the most reasonable offer, in its judgment, of the final offers on each impasse item submitted by the parties.

(12) The selections by the panel of arbitrators and items agreed upon by the ferry system management and the employee organization shall be deemed to be the collective bargaining agreement between the parties.

(13) The determination of the panel of arbitrators shall be by majority vote and shall be final and binding, subject to RCW 47.64.180 and 47.64.190. The panel of arbitrators shall give written explanation for its selection and inform the parties of its decision. [1983 c 15 § 15.]

47.64.250 Legal actions. (1) Any ferry employee organization and the department of transportation may sue or be sued as an entity under this chapter. Service upon any party shall be in accordance with law or the rules of civil procedure. Nothing in this chapter may be construed to make any individual or his assets liable for any judgment against the department of transportation or a ferry employee organization if the individual was acting in his official capacity.

(2) Any legal action by my ferry employee organization or the department of transportation under this chapter shall be filed in Thurston county superior court within ten days of when the cause of action arose. The court shall consider those actions on a priority basis and determine the merits of the actions within thirty days of filing. [1983 c 15 § 16.]

47.64.260 Notice and service. Any notia required under this chapter shall be in writing, but service thereof is sufficient if mailed by restricted certified mail return receipt requested, addressed to the last known address of the parties, unless otherwise provided in this chapter. Refusal of restricted certified mail by any party shall be considered service. Prescribed time periods commence from the date of the receipt of the notice. Any party may at any time execute and deliver an acceptance of service in lieu of mailed notice. [1983 c 15 § 17.]

47.64.270 Insurance and health care. Absent a collective bargaining agreement to the contrary, the department of transportation shall provide contributions to insunna and health care plans for ferry system employees and dependents, as determined by the state employees' insurance board, under chapter 41.05 RCW. The ferry system management and employee organizations may collectively bargain for other insurance and health care plans, and employer contributions may exceed that of other state agencies as provided in RCW 41.05.050, subject to RCW 47.64.180. However, after July 1, 1984, any amount by which the employer contribution for ferry system employees' and dependents' insurance and health care plans exceeds that provided for other state agencies shall reduce the funds available for compensation purposes, pursuant to RCW 47.64.180. [1983 c 15 § 18.]

47.64.280 Marine employees' commission. (Effective July 1, 1985.) (1) There is ~~created~~ the marine employees' commission. The governor shall appoint the commission with the consent of the senate. The commission shall consist of three members: One member to be appointed ~~from labor~~; one member from industry, and one member from the public who has significant knowledge of maritime affairs. The public member shall be chairman of the commission. One of the original members shall be appointed for a term of three years, one for a term of four years, and one for a term of five years. Their successors shall be appointed for terms of five years each, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. Commission members are eligible for reappointment. Any member of the commission may be removed by the governor, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause. Commission members are not eligible for state retirement under chapter 41.40 RCW by virtue of their service on the commission. Members of the commission shall be compensated in accordance with RCW 43.03.250 and shall receive reimbursement for official travel and other expenses at the same rate and on the same terms as provided for the transportation commission by RCW 47.01.061. The payments shall be made from the Puget Sound ferry operations account.

(2) The marine employees' commission shall: (a) Adjust all complaints, grievances, and disputes between labor and management arising out of the operation of the ferry system as provided in RCW 47.64.150; (b) provide for impasse mediation as required in RCW 47.64.310; (c) conduct fact-finding and provide salary surveys as required in RCW 47.64.220; and (d) provide for the selection of an impartial arbitrator as required in RCW 47.64.240(5).

(3) In adjudicating all complaints, grievances, and disputes, the party claiming labor disputes shall, in writing, notify the marine employees' commission, which shall make careful inquiry into the cause thereof and issue an order advising the ferry employee, or the ferry employee organization representing him or her, and the department of transportation, as to the decision of the commission.

The parties are entitled to offer evidence relating to disputes at all hearings conducted by the commission. The orders and awards of the commission are final and binding upon any ferry employee or employees or their representative affected thereby and upon the department.

The commission shall adopt rules of procedure under chapter 34.04 RCW.

The commission has the authority to subpoena any ferry employee or employees, or their representatives, and any member or representative of the department, and any witnesses. The commission may require attendance of witnesses and the production of all pertinent records at any hearings held by the commission. The subpoenas of the commission are enforceable by order of any superior court in the state of Washington for the county within which the proceeding may be pending. The commission may hire staff as necessary, appoint consultants, enter into contracts, and conduct studies as reasonably necessary to carry out this chapter. [1984 c 287 § 95; 1983 c 15 § 19.]

~~Legislative findings—Severability—Effective date—1984 c 287: See notes following RCW 43.03.220.~~

47.64.290 Toll bridge employees subject to civil service. Notwithstanding any other provisions of this chapter, toll bridge employees of the marine transportation division are subject to chapter 41.06 RCW. [1984 c 48 §

47.64.900 Section captions not part of law—1983 c 15. Section captions used in this act constitute no part of the law. [1983 c 15 § 29.]

47.64.910 Severability—1983 c 15. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected. [1983 c 15 § 30.]

EXHIBIT 1 - SURVEY PARTICIPANTS

SURVEY PARTICIPANTS

<u>Ferry Operations</u>			<u>Employees Reported</u>	Area Differ- ential
Alaska Marine Highway	Juneau	AK	290	120.0%
British Columbia Ferry Corp.	Victoria	BC	970	101.5
Golden Gate Bridge District	San Francisco	CA	71	108.0
Hornblower Yachts, Inc.	San Francisco	CA	186	108.0
Red & White Fleet	San Francisco	CA	132	108.0
Delaware River Bay Authority	New Castle	DE	75	95.0
Maine State Dept. of Transportation	Rockland	M E	44	85.0
Brdgport & Port Jefferson Stmboat Co.	Port Jefferson	NY	47	86.0
Bureau of Transit Operations	New York	NY	400	95.0
Sandusky Boat Lines	Sandusky	OH	36	92.5
Black Ball Transport, Inc.	Bellevue	WA	42	100.0
Washington State Ferries	Seattle	WA	1,027	100.0
			3,320	
<u>Shipyards</u>				
Ketchikan Shipyard, Inc.	Ketchikan	A K	27	120.0%
Rivtow Straits, Ltd.	Vancouver	BC	102	101.5
V Versatile Shipyard	N. Vancouver	BC	85	101.5
British Columbia Ferry Corp.	Victoria	BC*	59	101.5
Pacific Drydock & Repair Co.	Oakland	CA	46	108.0
Larson Boat Shop	Terminal Is	CA	56	100.0
Bureau of Transit Operations	New York	NY*	51	95.0
Nichols Brothers Boatbuilders	Freeland	W A	78	100.0
Foss Shipyard Maritime	Seattle	WA	21	100.0
Lake Union DD	Seattle	WA	53	100.0
Marco Seattle	Seattle	WA	75	100.0
Washington State Ferries	Seattle	WA*	55	100.0
J M Martinac	Tacoma	WA	132	100.0
Marine Ind. N.W., Inc.	Tacoma	WA	223	100.0
Tacoma Boatbuilding	Tacoma	WA	128	100.0
			1,191	
			4,511	

*Operated by a ferry survey participant

EXHIBIT 3 - SALARY SURVEY GUIDE

SALARY SURVEY GUIDE

This Guide is intended to assist Marine Employee's Commission (MEC) in conducting future surveys. Recommendations are based on the 1988 survey experience plus the general expertise of Carey Associates, Inc. in conducting surveys and in **planning** employee compensation. For additional information, contact

Carey Associates, Inc.
2555 **Flores** Street, Suite 260
San Mateo, CA 94403
(415) 5743732

OBJECTIVE

The 1988 Salary and Benefits Survey compiled pay and benefit data from a broad sample of ferry and shipyard operations. It covered jobs similar to those in **Washington** State Ferry System (WSFS). The objective was to describe the general environment of pay and benefit practices as background for collective bargaining. **Future** surveys should serve the same purpose.

T I M I N G

A survey of this size and complexity requires a minimum of 90 days to complete. Because of the seasonal increase in administrative activity within many ferry operations, **participants** should receive questionnaires by April 1. The return deadline **should** be set at **20** days later. That schedule will permit participants to complete and return their survey responses before the start of the busy season.

PARTICIPANTS

Future surveys should include organizations with significant numbers of employees in jobs similar to those of WSFS. Identical job matches are not necessary. However, the more closely related the work, the more confidence unions and management will have in the data. **Similar** jobs may be found in ferry, shipyard, and other marine operations. Some major ferry and shipyard operations are located in other states and in British Columbia. They **should** be included. Attachment 1 lists some recommended participants.

Several 1988 participants asked that their responses be kept confidential. Using an outside organization to receive and compile survey responses helps to assure confidentiality. That encourages participation.

QUESTIONNAIRE FORMAT

Future survey questionnaires should be shorter than the 1988 version. The length of the 1988 questionnaire probably discouraged some potential participants. We recommend eliminating from the survey those jobs for which only a few companies reported data:

Chief Engineer (C)
Wiper
Watchman
Matron
Information Supervisor
Shoregang Foreman
Shoregang Lead
Crew **Dispatch** Coordinator
Crew Dispatcher
Data Entry Operator

The **survey** can also omit all or most office jobs, as in 1988. Other Seattle area surveys, plus State of **Washington** pay comparisons, provide adequate reference data. Any other questions not essential to the survey's purpose should be eliminated. Shorter questionnaires bring more responses.

INITIAL CONTACT

Care in the initial **contact** with each prospective survey participant increases the number of responses. Use the telephone to make the first contact. The purpose of this contact is to gain the attention of that manager in each operation who will be 'most interested in the results of the survey. It often requires several telephone calls to reach the right person and to develop his/her cooperation. **Essentials** for this important task include: skilled telephone technique, patience, and perseverance.

MAILED QUESTIONNAIRE

Design the survey questionnaire for three objectives: (1) easy for the respondent to understand, and complete; (2) easy to enter into the database; (3) consistent with the intended content of the final data analysis. The user of the survey needs more than just a collection of unsorted and unanalyzed data from several companies.

Mail the survey questionnaire to the interested person in each **participating organization** shortly after the initial telephone contact. Include a personally addressed covering letter. The letter should remind the participant that a free copy of the survey report will be sent to him/her for returning the completed questionnaire by the deadline.

FOLLOW UP

Use further telephone contacts and an extended deadline to encourage participation by those who fail to respond by the initial deadline. A successful survey requires considerable time and effort on the part of the professional staff. They have to establish contact, persuade cooperation, answer technical questions, and call back for clarification of complex or incomplete responses. Plan for the survey to occupy a major part of the time for one or two **professional** staff until it is completed

COMPILE AND ANALYZE

Compiling survey responses into a database is tedious but not complex work. First, however, have each returned questionnaire reviewed by professional staff to be sure that the responses are complete and appropriate. Some errors by participants are easy to spot and correct, such as entering an annual figure instead of a monthly amount. Some dollar data may have to be converted to percentages. And, some responses may need clarification by telephone. The aim is to reduce the chance of crazy numbers entering the database.

Analysis of the database then follows. The 1988 survey report explains calculations used in that report. Use the same calculations in future surveys for the validity of the statistics and to provide continuity from survey to survey. We recommend that the survey analysis include quartile data distributions. We recommend that company and individual taxes (local, state, and federal) not be considered in the analysis. We would also exclude or treat separately earnings for overtime and other premium pay unless regularly scheduled.

REPORT

Prepare the survey report for ease of use. Large, clear type and not too much data on one page help the reader. Group jobs according to their union representation so the reader can find related jobs in one place. Finally, emphasize that the data provide only a background of information about pay and benefits in other organizations. The survey is not intended to define pay and benefits for WSFS or to limit the collective bargaining process.

CAREY ASSOCIATES, INC.

RECOMMENDED SURVEY PARTICIPANTS

Ferry Operations

Alaska Marine Highway	Juneau	AK
British Columbia Ferry Corp.	Victoria	BC
British Columbia Steamship Co.	Victoria	BC
Catalina Cruises	Long Beach	CA
California Cruis'	San Diego	CA
Golden Gate Bridge District	San Francisco	CA
Hornblower Yachts, Inc.	San Francisco	CA
Red & White Fleet	San Francisco	CA
Delaware River Bay Authority	New Castle	DE
Maine State Dept. of Transportation	Rockland	ME
Bureau of Transit Operations	New York	NY
Brdgport & Port Jefferson Steamboat Co.	Port Jefferson	NY
Black Ball Transport, Inc.	Bellevue	WA
Clipper Navigation	Seattle	WA
Washington State Ferries	Seattle	WA

Shipyards

Ketchikan Shipyard, Inc.	Ketchikan	AK
Rivtow Straits, Ltd.	Vancouver	BC
V Versatile Shipyard	N. Vancouver	BC
British Columbia Ferry Corp.	Victoria	BC*
Pacific Drydock & Repair Co.	Oakland	CA
Southwest Marine, Inc.	San Francisco	CA
Larson Boat Shop	Terminal Is	CA
Southwest Marine, Inc.	Terminal Is	CA
Bureau of Transit Operations	New York	NY*
Cascade General, Inc.	Portland	OR
Nichols Brothers Boatbuilders	Freeland	WA
Duwamish Shipyard	Seattle	WA
Foss Shipyard	Seattle	WA
Maritime	Seattle	WA
Lake Union DD	Seattle	WA
Marco Seattle	Seattle	WA
Todd Pacific Shipyard	Seattle	WA
Washington State Ferries	Seattle	WA*
J M Martinac	Tacoma	WA
Marine Ind. N.W., Inc.	Tacoma	WA
Tacoma Boatbuilding	T a c o m a	WA

*Operated by a ferry survey participant